REMARKS

Upon entry of the amendments in this response, Claims 1-24 remain pending in the present application. In the Office Action, Claims 17-24 were rejected under 35 U.S.C. § 102(b) and Claims 1-16 were rejected under 35 U.S.C. § 103(a). Claims 1, 6, 7, 9, and 14-24 have been amended. It is believed that the foregoing amendments add no new matter to the present application. Pursuant to 37 C.F.R. § 1.111, Applicant hereby respectfully requests reconsideration of the application.

REJECTION OF CLAIMS UNDER 35 U.S.C. § 102

The Office Action rejected Claims 17-24 under 35 U.S.C. § 102(b) as allegedly being anticipated by *Walker et al.* (U.S. Patent No. 6,119,099, hereinafter *Walker*). Applicants respectfully traverse this rejection for at least the following reasons.

The Office Action alleges that the "means for" claim language previously presented in computer-readable medium Claims 17-24 invokes means-plus-function claim language under 35 U.S.C. § 112, 6th paragraph, and that these claims fail to pass the second prong of a three prong test by including a structural limitation in the preamble of Claim 17. The Office Action further stated that because none of Claims 17-24 successfully invoke 35 U.S.C. § 112, 6th paragraph, that "[t]he Examiner will consider the claimed means as any physical or virtual means for performing the related function." Without conceding the basis for these assertions, Applicants have amended each of Claims 17-24 to remove any means-plus-function claim language. Therefore the Claims must be rejected in the subsequent Office Action in accordance with 35 U.S.C. § 102.

The *Manual of Patent Examining Procedure* (M.P.E.P., 8th ed. 6th rev., Sept. 2007) § 2131, describes the requirements for establishing a prior art rejection under 35 U.S.C. § 102, as follows: "a claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987). Moreover, "the identical

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invention must be shown in as complete detail as is contained in the... claim." *Richardson v. Suzuki Moto Co.*, 868 F.2d 1226, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989).

Independent Claim 17, as amended, is allowable for at least the reason that *Walker* fails to teach, either expressly or inherently, the feature of "*receiving from the customer a confirmation of the proposed order to purchase the first and the second items being offered for sale, wherein the calculated discount is only applied after receiving the order confirmation.*"

The Office Action cites column 2, lines 19-44 and column 6, lines 30-54 of *Walker*, which teach of a Point of Sale (POS) terminal that determines an upsell item from the change due to a customer based on a purchase price of a first item and the cost of the upsell item to the seller (col. 2, lines 9-37). Essentially, the POS terminal gives the customer the option of electing the upsell item in place of both the first item and his "rounded" change due (col. 2, lines 29-44). For example, if a customer was going to purchase a small soda and his change due would approximately be equal to the price of a large soda to the seller, the POS terminal would prompt the customer with the option to exchange his small soda and change due for the large soda (col. 4, line 60 through col. 5, line 5). In *Walker*, only one of the first item and the upsell item is confirmed for purchase at any given time. The discount on the upsell item (rounded change due compared to actual seller cost of upgrade) depends on the exchange of the first item for the upsell item. Thus, *Walker* clearly fails to teach or suggest receiving a confirmation from a customer to purchase a first and a second items being offered for sale, wherein a calculated discount on the purchase of the second item is only applied after receiving the order confirmation of the purchase of both the first and second item. In *Walker*, only one item can be confirmed for purchase: a first item or a discounted upsell item.

As *Walker* fails to teach, either expressly or inherently, the above cited features of Claim 17, Applicants respectfully submit Claim 1 as allowable.

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Because independent Claim 17 is allowable over the cited art of record, dependent Claims 18-24 are submitted as allowable for at least the reason that these dependent claims contain all limitations of independent Claim 17.

REJECTION OF CLAIMS UNDER 35 U.S.C. § 103

The Office Action rejected Claims 1-16 under 35 U.S.C. § 103(a) as allegedly being unpatentable over *Walker* in view of *Swartz et al.* (U.S. Patent No. 6,837,436, hereinafter *Swartz*).

Independent Claim 1, as amended, is allowable for at least the reason that *Walker* and *Swartz*, individually or combined, fail to teach or suggest the feature of "*offering a discount for the purchase of a second item based on the received indication to purchase, wherein the discount is only applied with an indication to purchase both the first and second item.*"

Walker teaches of a Point of Sale (POS) terminal that determines an upsell item from the change due to a customer based on a purchase price of a first item and the cost of the upsell item to the seller. The POS terminal gives the customer the option of electing the upsell item in exchange for the first item and his "rounded" change due. Thus, *Walker* clearly fails to teach or suggest applying a discount to a second item for purchase (e.g., an upsell item) with an indication to purchase both a first and second item (e.g., a first item and the upsell item). In *Walker* only one of the first item and upsell item can be confirmed for purchase at a time of sale. Accordingly, *Walker* clearly fails to teach or suggest the above cited features of Claim 1.

Swartz fails to cure this deficiency. *Swartz* teaches of an interactive shopping system for communicating data over a communication network, such as the Internet (abstract). The Office Action citations of *Swartz* (col. 10, lines 23-49; col. 12, line 32 through col. 13, line 34; and col. 33, lines 55-59) are silent with respect to applying a discount to a second item based on an indication to purchase both a first and second item. Accordingly, *Swartz* clearly fails to teach or suggest the above cited features of Claim 1. Thus, Applicants submit that *Walker* and *Swartz*,

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alone or in combination, fail to teach or suggest all the features of Claim 1. Therefore, Applicants submit that amended Claim 1 is allowable over *Walker* and *Swartz*.

Because independent Claim 9 has been amended to include the similar subject matter as that in independent Claim 1, Claim 9 is allowable for the same reasons that make independent Claim 1 allowable. Dependent Claims 2-8 and 10-16 are therefore allowable for respectively depending upon allowable independent Claims 1 and 9.

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CONCLUSION

Applicants' respectfully submit that all of the claims of the pending application are now in condition for allowance over the cited references. Accordingly, Applicants respectfully request withdrawal of the rejections.

Respectfully submitted,

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